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In the Matter of:)
)
 Opinion requested by)
 Mayor Janet Gray Hayes)
 Dinner Committee)
)

No. 75-145
December 4, 1975

BY THE COMMISSION: We have been asked the following question by the Mayor Janet Gray Hayes Dinner Committee:

The Mayor Janet Gray Hayes Dinner Committee sponsored a dinner on April 17, 1975, to raise funds for the non-reimbursable expenses of the Mayor's office. Seven hundred tickets were sold at \$20 apiece and the proceeds will be used to hire a part-time assistant who will work to maintain the organization which handled the Mayor's campaign, to publish a newsletter, and to cover non-reimbursable travel, dinner and postage expenses, among other items.

Do the above-described uses of the proceeds of such a fundraising dinner disqualify those proceeds from being treated solely as campaign contributions and expenditures reportable under Chapter 4 of the Political Reform Act and make these proceeds "income" within the meaning of Section 82030, which is reportable by the Mayor under Chapter 7 of the Act?

CONCLUSION

The proceeds from the fundraising dinner retain their classification solely as campaign contributions and expenditures so long as they are used to support those activities related to the Mayor's responsibilities as an elected official and a future candidate.

ANALYSIS

We are concerned here with whether funds received by an elected official's campaign committee, and subsequently expended for various purposes, retain their classification as campaign contributions and expenditures reportable only under Chapter 4, Government Code Sections 84200, et seq.^{1/} or become income to the elected official which is reportable by the official under Chapter 7, Sections 87200, et seq.^{2/} The specific purposes for which those funds received through the dinner sponsored by the Mayor Janet Gray Hayes Dinner Committee will be used are:

- (1) Hire a part-time assistant who will work to maintain the organization which supported the Mayor's campaign;
- (2) Publish a newsletter from the Mayor;
- (3) Pay non-reimbursable travel expenses of the Mayor to conventions, conferences and meetings;
- (4) Purchase Mayor's trophies and awards;
- (5) Pay dinner expenses and travel costs not covered by the City of San Jose;
- (6) Pay travel expenses, postage and other expenses of the Mayor's volunteer assistants; and
- (7) Provide honoraria for future speakers for fund-raisers.

Those activities listed in (1), (2), (3), (4), (6) and (7) appear to be related to the Mayor's responsibilities as an elected official and future candidate, and have the effect of influencing future voter action. Accordingly, funds expended for these activities may properly be treated as campaign expenditures reportable by the Dinner Committee under Chapter 4 of the Political Reform Act. See opinion requested by Willie L. Brown, 1 FPFC Opinions 67 (No. 75-055, July 2, 1975).

^{1/}
All statutory references are to the Government Code unless otherwise noted.

^{2/}
We assume, for purposes of this opinion, that the dinner was a political fundraiser and that the purchase of a ticket, therefore, was a contribution. See Section 82015.

Funds expended for category (5), on the other hand, may or may not be campaign expenditures reportable only under Chapter 4. If the expenses are incurred in connection with Ms. Hayes' political or governmental activities, they can be treated in the same manner as expenses incurred for the other activities specified herein. If, however, the expenses are incurred to support personal dinner and travel costs of the Mayor, they will constitute a gift to the Mayor from the Dinner Committee. Since gifts are included within the definition of income, Section 82030, the expenses will be reportable by the Dinner Committee and also will be reportable by the Mayor on her Statement of Economic Interests filed pursuant to Chapter 7 of the Act (assuming, of course, that the requisite amount of \$25.00 or more is involved). Sections 87203, 87207.

Approved by the Commission on December 4, 1975.
Concurring: Brosnahan, Carpenter, Lowenstein and Miller.
Commissioner Waters was absent.


Daniel H. Lowenstein
Chairman